6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

[AMS-FRL-9950-44-OAR]

California State Motor Vehicle Pollution Control Standards; Greenhouse Gas Emissions from 2014 and Subsequent Model Year Medium- and Heavy-Duty Engines and Vehicles; Request for Waiver of Preemption; Opportunity for Public Hearing and Public Comment

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of Opportunity for Public Hearing and Comment.

SUMMARY: The California Air Resources Board (CARB) has notified EPA that it has adopted a greenhouse gas emission regulation for new 2014 and subsequent model year on-road medium-and heavy-duty engines and vehicles (California Phase 1 GHG Regulation). This regulation aligns California's GHG emission standards and test procedures with the federal GHG emission standards and test procedures that EPA adopted in 2011. By letter dated January 29, 2016, CARB submitted a request that EPA grant a waiver of preemption under section 209(b) of the Clean Air Act (CAA), 42 U.S.C. 7543(b) for the California Phase 1 GHG Regulation. This notice announces that EPA has scheduled a public hearing concerning California's request and that EPA is accepting written comment on the request.

DATES: EPA has tentatively scheduled a public hearing concerning CARB's request on September 28, 2016, at 10 a.m. EPA will hold a hearing only if any party notifies EPA by September 21, 2016 to express interest in presenting the Agency with oral testimony. Parties wishing to present oral testimony at the public hearing should provide written notice to David Dickinson at the email address noted below. If EPA receives a request for a public hearing, that hearing will be held at the William Jefferson Clinton Building (North), Room 5528 at 1200

Pennsylvania Ave, NW, Washington, DC 20460. If EPA does not receive a request for a public hearing, then EPA will not hold a hearing, and instead will consider CARB's request based on written submissions to the docket. Any party may submit written comments until November 1, 2016.

Any person who wishes to know whether a hearing will be held may call David Dickinson at (202) 343-9256 on or after September 21, 2016.

ADDRESSES: EPA will make available for in person inspection, at the Air and Radiation Docket and Information Center, written comments received from interested parties, in addition to any testimony given at the public hearing. The official public docket is the collection of materials that is available for public viewing at the Air and Radiation Docket in the EPA Docket Center, (EPA/DC) EPA West, Room B102, 1301 Constitution Ave., NW, Washington, D.C. The EPA Docket Center Public Reading Room is open from 8:30 to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566-1744, and the telephone number for the Air and Radiation Docket is (202) 566-1743. The reference number for this docket is EPA-HQ-OAR-2016-0179.

EPA will make available an electronic copy of this Notice on the Office of Transportation and Air Quality's (OTAQ's) homepage (http://www.epa.gov/otaq/). Users can find this document by accessing the OTAQ homepage and looking at the path entitled "Regulations." This service is free of charge, except any cost you already incur for Internet connectivity. Users can also get the official *Federal Register* version of the Notice on the day of publication on the primary website: (http://www.epa.gov/docs/fedrgstr/EPA-AIR/).

Please note that due to differences between the software used to develop the documents

and the software into which the documents may be downloaded, changes in format, page length, etc., may occur.

FOR FURTHER INFORMATION CONTACT: David Dickinson (6405J), U.S.

Environmental Protection Agency, 1200 Pennsylvania Ave, N.W., Washington, D.C. 20460.

Telephone: (202) 343-9256, Fax: (202) 343-2804, e-mail address: <u>Dickinson.David@EPA.GOV.</u>

FOR OBTAINING AND SUBMITTING ELECTRONIC COPIES OF COMMENTS

Submit your comments, identified by Docket ID No. EPA-HQ-OAR-2016-0179, by one of the following methods:

- http://www.regulations.gov: Follow the on-line instructions for submitting comments.
 - E-mail: dickinson.david@epa.gov
 - Fax: (202)343-2804.
- Mail: U.S. Environmental Protection Agency, EPA West (Air Docket), 1200
 Pennsylvania Ave., N.W., Room B108, Mail Code 6102T, Washington, D.C. 20460, Attention
 Docket ID No. EPA-HQ-OAR-2013-0491. Please include a total of two copies.
- Hand Delivery: EPA Docket Center, EPA/DC, EPA West, Room B102, 1301 Constitution Ave., NW., Washington, D.C. Such deliveries are only accepted during the Docket's normal hours of operation, and special arrangements should be made for deliveries of boxed information. Instructions: Direct your comments to Docket ID No EPA-HQ-OAR-2016-0179.

EPA's policy is that all comments received will be included in the public docket without change and may be made available online at http://www.regulations.gov, including any personal information provided, unless the comment includes information claimed to be Confidential

Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through http://www.regulations.gov or e-mail.

The http://www.regulations.gov website is an ``anonymous access" system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an e-mail comment directly to EPA without going through http://www.regulations.gov your e-mail address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD-ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses. Docket: All documents in the docket are listed in the http://www.regulations.gov index. Although listed in the index, some information is not publicly available, e.g., CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, will be publicly available only in hard copy.

SUPPLEMENTARY INFORMATION:

(A) CARB's Waiver Request for the California Phase 1 GHG Regulation

CARB's January 29, 2016, letter to the Administrator presents EPA with CARB's requirements related to the control of greenhouse gas emissions from 2014 and subsequent MY California on-road medium- and heavy-duty engines and vehicles. The regulation establishes

requirements applicable to new motor vehicles with a gross vehicle weight rating (GVWR) exceeding 8,500 pounds and engines that power such motor vehicles, except for medium-duty passenger vehicles (MDPVs) that are subject to California's Low Emission Vehicle Program. California's Phase 1 regulation is supplemental to CARB's existing Tractor-Trailer GHG regulation that was initially adopted by the CARB Board in 2008 and subsequently amended in 2010 and 2012. CARB's Tractor-Trailer GHG regulation includes the regulation of certain trailers associated with heavy-duty vehicles and engines. CARB amended the Tractor-Trailer GHG regulation in conjunction with its adoption of the Phase 1 GHG regulation (which only addresses vehicles and engines) to ensure that California's GHG requirements for new medium and heavy-duty engines and vehicles are consistent with the corresponding requirements of EPA's Phase 1 GHG regulation (that addresses engines and vehicles).

(B) Scope of Preemption and Criteria for a Waiver under the Clean Air Act Section 209(a) of the Clean Air Act, as amended ("Act"), 42 U.S.C. 7543(a), provides:

No state or any political subdivision thereof shall adopt or attempt to enforce any standard relating to the control of emissions from new motor vehicles or new motor vehicle engines subject to this part. No state shall require certification, inspection or any other approval relating to the control of emissions from any new motor vehicle or new motor vehicle engine as condition precedent to the initial retail sale, titling (if any), or registration of such motor vehicle, motor vehicle engine, or equipment.

Section 209(b) of the Act requires the Administrator, after notice and opportunity for

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¹ The California Phase 1 GHG regulation is comprised of new title 17, California Code of Regulations (CCR) sections 95660 through 95664, and amendments to title 13, CCR, sections 1900, 1958.6, 2036, 2037, 2112, 2140, and 2147. These regulations apply to all motor vehicles with a GVWR greater than 8,500 pounds. An exception to these regulations are MDPVs which are primarily designed for the transport of passengers. (MDPVs are not subject to this waiver). A definition of MDPVs can be found at title 13, CCR, section 1900(b)(15). California uses the same definition of light-duty vehicles (which includes a subcategory for MDPVs) as EPA.

² EPA granted California a waiver for the Tractor-Trailer GHG regulation in 2014. 79 FR 46256 (August 7, 2014). A petition was subsequently filed in the United States Court of Appeals for the District of Columbia Circuit that requested the court to review EPA's issuance of the waiver. The court dismissed the petition on November 25, 2015.

public hearing, to waive application of the prohibitions of section 209(a) for any state that has adopted standards (other than crankcase emission standards) for the control of emissions from new motor vehicles or new motor vehicle engines prior to March 30, 1966, if the state determines that the state standards will be, in the aggregate, at least as protective of public health and welfare as applicable federal standards. California is the only state that is qualified to seek and receive a waiver under section 209(b). EPA must grant a waiver unless the Administrator finds that (A) the determination of the state is arbitrary and capricious, (B) the state does not need the state standards to meet compelling and extraordinary conditions, or (C) the state standards and accompanying enforcement procedures are not consistent with section 202(a) of the Act. Previous decisions granting waivers of federal preemption for motor vehicles have maintained that state standards are inconsistent with section 202(a) if there is inadequate lead time to permit the development of the necessary technology giving appropriate consideration to the cost of compliance within that time period or if the federal and state test procedures impose inconsistent certification procedures.³

(C) Request for Comment

EPA invites comment on CARB's request for a waiver for the California Phase 1 GHG regulation under the following three criteria: whether (a) California's determination that its motor vehicle emission standards are, in the aggregate, at least as protective of public health and welfare as applicable federal standards is arbitrary and capricious, (b) California needs such standards to meet compelling and extraordinary conditions, and (c) California's standards and

³ To be consistent, the California certification procedures need not be identical to the federal certification procedures. California procedures would be inconsistent, however, if manufacturers would be unable to meet the state and the federal requirements with the same test vehicle in the course of the same test. See, e.g., 43 FR 32182 (July 25, 1978).

accompanying enforcement procedures are consistent with section 202(a) of the Clean Air Act.

PROCEDURES FOR PUBLIC PARTICIPATION:

The Agency will make a verbatim record of the proceedings. Interested parties may

arrange with the reporter at the hearing to obtain a copy of the transcript at their own expense.

EPA will keep the record open until November 1, 2016. Upon expiration of the comment period,

the Administrator will render a decision on CARB's request based on the record of the public

hearing, relevant written submissions, and other information that she deems pertinent.

Persons with comments containing proprietary information must distinguish such

information from other comments to the greatest possible extent and label it as "Confidential

Business Information" (CBI). If a person making comments wants EPA to base its decision in

part on a submission labeled CBI, then a non-confidential version of the document that

summarizes the key data or information should be submitted for the public docket. To ensure that

proprietary information is not inadvertently placed in the docket, submissions containing such

information should be sent directly to the contact person listed above and not to the public

docket. Information covered by a claim of confidentiality will be disclosed by EPA only to the

extent allowed and by the procedures set forth in 40 CFR part 2. If no claim of confidentiality

accompanies the submission when EPA receives it, EPA will make it available to the public

without further notice to the person making comments.

Dated: August 3, 2016.

Christopher Grundler, Director,

Office of Transportation and Air Quality,

Office of Air and Radiation.

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